

EXHIBIT C

PAOLILLO-9/28/05

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UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

CA NO. 04-12382 (RCL)

GETRONICS WANG CO., LLC, *
Plaintiff, *
*
v. *
*
HYNIX SEMICONDUCTOR, INC., and *
SAMSUNG ELECTRONICS CO., LTD., *
Defendants. *

DEPOSITION OF ANTHONY P. PAOLILLO,
taken pursuant to Rule 30(b)(6) of the Federal
Rules of Civil Procedure, before Susan L.
Prokopik, Registered Merit Reporter and Notary
Public in and for the Commonwealth of
Massachusetts, at the offices of Nixon Peabody
LLP, 100 Summer Street, Boston, Massachusetts, on
Wednesday, September 28, 2005, at 9:19 a.m.

KACZYNSKI REPORTING
72 CHANDLER STREET, SUITE 3
BOSTON, MASSACHUSETTS 02116
(617) 426-6060

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1 Upon reviewing our returns, Mr.
2 Martineau came back and said since we had
3 significant net operating losses that we were
4 constantly carrying forward that all we would
5 need to do in that case is to adjust that net
6 operating losses for the years in question,
7 either to adjust it in total or adjust it just a
8 specific period so he left it up to us. As long
9 as we adjusted it and reflected it on our net
10 operating loss schedules.

11 That was the extent of the meeting.

12 The meeting was more a review than a meeting.

13 Q. I see. So his role, Mr. Martineau's role was not
14 with respect to the Competent Authority
15 proceeding?

16 A. Not at all.

17 Q. But rather with respect to the tax returns of
18 Wang --

19 A. Exactly.

20 Q. -- and the adjustment of those tax returns, if
21 necessary, right?

22 A. Exactly.

23 Q. And as far as you knew, Mr. Martineau didn't have
24 any responsibility for the Competent Authority

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1 proceeding?

2 A. Not at all. Like I said, his role was just a
3 field agent to come out to verify how we handled
4 this on the return.

5 Q. Okay. And so you don't rely on anything that Mr.
6 Martineau may have said in this letter in support
7 of your claim?

8 A. I'm not sure I would say that other than -- I'm
9 not sure I would not -- I'm not sure I would say
10 that I wouldn't rely on anything he said here.

11 Q. Well, what would --

12 A. I'm not -- to just give a blanket statement, he
13 is an IRS agent. He is trying to state --
14 granted that he is not a Competent Authority
15 agent other than he's required just to verify the
16 return piece.

17 Q. Okay. But you've acknowledged to me that he was
18 not -- Mr. Martineau was not involved in the
19 Competent Authority proceeding, correct?

20 A. He was not.

21 Q. He didn't have responsibility for the Competent
22 Authority proceeding?

23 A. Correct.

24 Q. And his only role was to verify the tax treatment

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1 in Wang's tax returns of the deductions that had
2 been made?

3 A. Correct.

4 Q. Okay.

5 A. That's it.

6 Q. So you would agree with me that his own
7 statements about what happened in the Competent
8 Authority proceeding are not the -- can't be
9 relied upon?

10 A. I would say that they do not reflect what went on
11 as part of the Competent Authority.

12 Q. That's fine.

13 (12/16/02 letter marked Exhibit No.

14 35.)

15 (12/16/02 letter marked Exhibit No.

16 36.)

17 (12/16/02 letter marked Exhibit No.

18 37.)

19 Q. I'm going to show you Exhibits 34 through -- 35
20 through 37, each of which is a letter of December
21 16, 2002 from you. 35 to Hynix Semiconductor, 36
22 to LG Electronics and 37 to Samsung Electronics,
23 correct?

24 A. Correct.

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1 Q. And with the exception of some -- of a number in
2 each of them, they're the exact same letter,
3 correct?

4 A. Correct.

5 Q. Okay. And just so the record is clear, Hynix
6 Semiconductor was formerly known as Hyundai
7 Electronics Industries Company Limited. That's
8 your understanding, correct?

9 A. Yes, yes.

10 Q. And the original license agreement had been
11 between Wang and Hyundai, which was now known as
12 Hynix?

13 A. (Witness nods.)

14 Q. Right?

15 A. Correct.

16 Q. Okay. And this is your letter advising the --
17 each of the companies about the resolution of the
18 negotiation between the United States Government
19 and Korean National Tax Authority on the
20 Competent Authority request, right?

21 A. Correct.

22 Q. Okay. And you referred to this as a mutual
23 agreement, which it is, correct? Which it was?

24 A. I took the wording out of the --